## In the Specification

1. Please replace paragraph [0009] of the Published Application with the following amended paragraph:

[0009] Once Bob's timing is established, then Bob's modulator voltage is fixed at and Alice's modulator activation signal is set to provide a select modulation. Also, the modulator signal width for Alice is set to be relatively large and a (new) initial activation signal timing is selected. The iterative process described above for Bob is repeated essentially the same for Alice with respect to the coarse and fine adjustment of the timing and adjusting the modulator activation signal width for Alice's modulator MA to establish a final timing.

2. Please replace paragraph [0035] of the Published Application with the following amended paragraph:

[0035] In 206, controller 50 also directs voltage controller 44 to make the width of the modulator activation signal V1 to relatively large--say, 50 ns--as compared to the final activation signal width, which is typically in the range from 2 ns to 10 ns. This relatively coarse width is called W1C. In 208, controller 50 selects an initial modulator voltage time T01, at which time activation signal  $V_B[\pi]$  is to be applied to modulator MB. In an example embodiment, T01=0.

3. Please replace paragraph [0067] of the Published Application with the following amended paragraph:

[0067] Note Note also that the modulator timing set-up process must be repeated if the fiber length is changed, (e.g., a connection to a new fiber link FL or optical switching to a new optical path), or if the qbit update rate changes. This is yet another reason why it is important to have such a modulator timing set-up procedure for a commercially viable QKD system.

4. After paragraph [0069] of the specification, please add the following new phrase immediately prior to the listing of the claims:

What is claimed is: